

PROMISSORY NOTE

\$110,000.00

Chicago, Illinois
January 16, 2017

FOR VALUE RECEIVED, the undersigned A.M. Precision Machining Inc., debtor and debtor-in-possession under Chapter 11 of the Bankruptcy Code ("Borrower") promises to pay to the order Jerry Kozlowski ("Lender"), the principal sum of One Hundred Ten Thousand and 00/100 Dollars (\$110,000.00), or such lesser principal amount as may be then outstanding, on the dates and in the amounts set forth in the Loan Agreement (as defined below), together with interest on the unpaid principal amount hereof, at the rates and on the dates set forth in that certain Post-Petition Senior Secured Loan Agreement, dated of even date herewith, between Borrower and Lender (herein, as the same may be amended, modified, restated or supplemented from time to time, called the "Loan Agreement"). All capitalized terms not defined herein shall have the meanings ascribed to them in the Loan Agreement. If not sooner paid, Borrower shall pay the principal of and accrued and unpaid interest on the Loan in full on the Maturity Date.

Payments of both principal and interest are to be made in the lawful money of the United States of America in immediately available funds at Lender's principal office at such other place as may be designated by Lender to Borrower in writing.

This Promissory Note (the "Note") evidences indebtedness incurred under and is subject to the terms and provisions of Loan Agreement, including those under which this Note may or must be paid prior to its due date or may have its due date accelerated; provided that this Note may be prepaid in whole or in part without premium or penalty. This Note is secured by the property described in and pursuant to the Loan Agreement and other documents referred to therein, and reference is made thereto for a statement of terms and provisions of such collateral security, a description of collateral and the rights of Lender in respect thereof.

All parties hereto, whether as makers, endorsers or otherwise, severally waive presentment, demand, protest and notice of dishonor in connection with this Note.

Borrower waives the benefit of any law that would otherwise restrict or limit Lender in the exercise of its right, which is hereby acknowledged, to set-off against the Obligations, without notice and at any time hereafter, any indebtedness matured or unmatured owing from Lender to Borrower.

This Note is binding upon Borrower and its successors and assigns, and shall inure to the benefit of Lender and its successors and assigns. This Note is made under and governed by the laws of the State of Illinois without regard to conflict of laws principles.

The ownership of an interest in this Note shall be registered on a record of ownership maintained by Borrower or its agent. Notwithstanding anything else in this Note to the contrary, the right to the principal of, and stated interest on, this Note may be transferred only if the transfer is registered on such record of ownership and the transferee is identified as the owner of an interest in the obligation. Borrower shall be entitled to treat the registered holder of this Note (as recorded on such record of ownership) as the owner in fact thereof for all purposes and shall not be bound to recognize any equitable or other claim to, or interest in, this Note on the part of any other person or entity.

IN WITNESS WHEREOF, Borrower has executed this Note on the date above set forth.

A.M. Precision Machining Inc.,
debtor and debtor-in-possession

By: _____
President: Stanley Kozlowski